

MISSOURI STATE PENITENTIARY
REDEVELOPMENT COMMISSION
MEETING MINUTES

Open Session
May 25, 2005

Chairman Carr called the meeting called to order at 1:00 p.m.

The following Commission members were present: Bushmann, Carr, Peerson, Schreiber, Sheehan, Wunderlich

The following commission members were absent: Callis, Mahfood, Meyer, Riddick

Chairman Carr introduced newly appointed member Kathy Peerson. A county appointee, Ms. Peerson replaces Duane Weaver, who resigned in April.

- I. Approve Minutes of the April 27, 2005 meeting. Commissioner Wunderlich asked about a phrase regarding "vacation." He will communicate with Charlotte Collet to make necessary changes. No other comments were received. By motion from John Sheehan and second by Gene Bushmann, the minutes were approved.

- II. Code of Ethics Review – Pamela Henrickson

Counsel Pamela Henrickson reviewed the Conflict of Interest that was approved by the standing members of the MSPR in November of 2002. She explained that the purpose of the document is to protect the members and protect the process of selecting developers for the site. For instance, if a member was approached with questions or inquiries regarding the development that member could state that it is a conflict of interest to discuss the matter, and direct that individual to Director David Mosby. Mr. Mosby would convey the information to the Commission. The Conflict of Interest policy will also aid in standardizing the submissions received.

Discussion:

Bushmann: Asked if his membership on the Jefferson City Park Board would be a conflict on interest, and should he resign one post.

Carr: Perhaps a disclosure should be identified. Asked if the policy could be amended so that he could abstain from any of the business transactions.

Henrickson: The policy does not permit it now but it can be amended to permit that. Do we need to reclude him from discussion?

Carr: My personal opinion is no and that his position on the commission is valuable.

Several suggestions were offered. Ms. Henrickson will revise the policy and present those changes at the June 22 meeting.

- III. Pro Forma Submittal Criteria – Pamela Henrickson

Mr. Carr and Ms. Henrickson recently discussed the need to standardize the proposals, which, will be received. A list of eleven items were provided to the members.

Discussion:

Bushmann: Should we require that proposers be familiar with the design criteria?

Henrickson: We are developing a standard form development contract, which will incorporate the Design Guidelines. The Design Guidelines will have an impact

on their financing and the question is whether you give those guidelines up front or present them after a proposal is received.

Bushmann: Do we need a motion to accept theses as a preliminary?

Carr: Since this is a preliminary list, I think the members should review and offer his or her suggestions, comments and questions at the June 22 meeting, with finalization at that time.

IV. Legislation Update – Charlie Brzuchalski

House Bill 18, Section 18.035. Authorizes any money that goes into the MSPR fund held by the Treasurer can be expended at the Commission's discretion.

House Bill 58 – Replaces SB 464, which revises the original Bill, which established the MSPR (HB 621, 2000). House Bill 58 gives the commission the following powers:

- To hold proceeds from transactions outside the state treasury
- Deposit funds in the Missouri state penitentiary redevelopment fund
- To purchase insurance from the Missouri Public Entity Risk Management Fund (MoPERM) and is hereby determined to be a "public entity" as defined in section 537.700, RSMo
- The Missouri State Penitentiary Redevelopment Commission is a state commission for purposes of section 105.711, RSMO, and all members of the commission shall be entitled to coverage under the state legal expense fund.

Mr. Mosby added that HB 5 allows \$395,869 for continuing operation, such as the security contract and utility payments. (excludes the FTE support). In the '07 budget (beginning July '06) in HB 18, \$603,888 is available for critical repair items. He also suggested doing an RFP to select a firm to not only do facilities management work but also do property management. He stated that in \$395,869 (in HB 5) would be transferred to the MSPR Fund.

Bushmann: What exactly are the responsibilities of the MSPR? For instance, right now the state is handling the maintenance.

Mosby: The responsibility is shifted when the MSPR takes title.

Carr: What we need to look at is a master developer with the maintenance framework included. Charlie B. could be a coordinator but to rely on the master developer to do the marketing, etc., on behalf of the MSPR.

V. Master Developer Review – Charlie Brzuchalski

Charlie Brzuchalski gave a commentary on what a master developer would provide in their area of expertise – cost estimating, analysis, development scenarios, funding and development tools and development selections. They would also prepare RFP's and RFP's and assist the with development agreement.

They are paid on a commission basis. If they are successful in negotiating an agreement for the project the master developer or redeveloper typically posts a fee and is paid as the project progresses. The master developer would get a portion of the fee and a portion goes to the MSPR. That would be the scope of work used in assisting the MSPR in selecting that person.

He suggested that the Commission proceed on a Qualification Based Selection process. Because there is a limited pool of these entities available, the MSPR would solicit from the letters of interest. The qualification process would begin by having a meeting with all those proposers. The FMDC would assist with the evaluation, which would be narrowed down to 2-3 firms and ultimately selecting one to be the master developer. FMDC would also assist to negotiate an agreement with them. This would permit FMDC to be removed from the roll of being the developer.

Mr. Carr concluded that because the property will soon be conveyed to the MSPR, he feels the necessity to raise the questions, in order to be prepared and to address the situation when the time arises.

Discussion:

Sheehan: Would it be helpful to identify those cities and communities that may have gone through a similar process:

Brzuchalski: Before the Commission was established, Design and Construction sent an informational packet, countrywide, seeking input from those who have taken on a project of this kind. Not one had the task of converting a state-owned facility to private usage.

Bushmann: Will the master developer continue with the entire project or will there be different ones for different segments?

Brzuchalski: I would suggest that one be chosen for the entire project, excepting the Health Lab and the Lewis and Clark Building.

Mosby: Bushmann: Do we have enough money with the \$395,869 to do all the maintenance and employ a master developer.

Mosby: Probably. The utilities are very low and shutdown is still underway. In addition, there are no labor costs involved.

Mosby: The state car pool lot will soon be located at the MSP site. Once the title is transferred, MSPR can lease back that space to the State.

Peerson: Can you give a time line on issuing an RFP and awarding it the master developer

Brzuchalski: Because of the limited scope of work and a limited pool of persons who can already perform the work it would probably would take 6-8 weeks.

Bushmann: Should we proceed with an RFP?

Carr: I believe it is the next logical step. The Design Guidelines was the major part. We will receive the final version and they will be presented to the Commission and voted on at the July meeting. Once the property is titled and transfer of money has taken place, think we should move forward. We probably do not need to prepare an RFP right now.

Bushmann: Will FMDC staff be thinking about an RFP

Mosby: Yes. We probably need to do a scope of work and prepare a list of interested parties.

Carr: Regarding the transfer of money, the Executive Committee (Carr, Wunderlich, Sheehan and Schreiber) will do the necessary framework for a policy in which the MSPR will operate when the transfer takes place.

Bushmann: Is someone following up on Directors and Officer insurance?

Henrickson: You now have the ability to purchase insurance from the MoPERM. We could check with them on the coverage and cost. I will do some research.

VI. Historic Tours – Charlie Brzuchalski

Mr. Brzuchalski reported that no responses were received for the RFP for tours. In discussion with several potential proposers, they noted that there were some uncertainties and problems with the RFP but would be willing to discuss. They referred to the uncertain market and the requirement in the proposal to incur significant staffing costs. Two entities believed to be bonafide proposers, although they did not submit, are a not for profit organization with volunteer staff only. They do not have payrolls or the budget or business plan. Both groups expressed an interest to partner. With that in mind, Mr. Brzuchalski contacted a couple entities in Kansas City that does this type project; however, they are limited to a certain geographic area. The next step would be to examine the RFP and see if all the requirements are, in fact, essential.

Mosby: Since the Commission can solicit proposals outside Chapter 34, perhaps the MSPR can work from its own proposal and present it to an interested party.

Henrickson: How about the Convention and Visitors Bureau

Brzuchalski: That has been done. The CVB's mission is one of marketing and not of providing tours. They indicated they were ill equipped to provide a response, and do not have the expertise to provide tours. The RFP was given to them for review and limited comments were received. They questioned whether or not it would pay enough to support the staffing requirements.

Sheehan: Is there some way we can re-work the RFP so that we do not lose the summer season: Perhaps one tour, one day each of the 3 months.

Schreiber: There is probably an interest but all these entities (mostly volunteers), are already involved with other activities. My main concern is the amount of deterioration that is currently occurring.

Carr: Do we even want to pursue a summer tour? July 4th, for instance.

Mosby: July 4 puts a tremendous strain on our operation. Our maintenance workers do not get to enjoy a holiday like the others.

Carr: Is August unrealistic, rather than June or July for a one-day or a week-end.

Mosby: If we go forward with the selection of a master developer will the tours become a requirement of the master developer.

Schreiber: It would be the easiest. The facility can stand, as is, as long as liability is covered. Other similar institutions did not change anything other than adequate lighting and walkways.

VII. Review MSPR Commission Logo/letterhead – Charlie Brzuchalski/Mark Schreiber
Stationery with the logo was distributed to the members.

Suggestions:

- Use a different post office box for the Commission, rather than the FMDC box. (Staff will inquire with Post Office to establish a separate post office box for the MSPR)
- Enhance the state seal with more detailing
- Move all lettering to the bottom, leaving only the logo at the top of stationery

VIII. Other Business – Charlie Brzuchalski

Charlie Brzuchalski reported that the University of Missouri – Columbia Fire School would be utilizing part of the facility for training, search and rescue exercises from June 1-5.

MoDOT has scheduled a meeting to discuss the expressway traffic study. FMDC as been invited to attend the public hearing and stakeholder's session. This is part of the neighborhood planning. This study covers east of Dix Road to Eastland Drive. It may or may not include the Lafayette enter change or the Clark Avenue exchange. The meeting is June 8 from 407 p.m. with a presentation at 5:30 p.m. at Kertz Hall at Immaculate Conception Church in Jefferson City. The stakeholders meeting will be held June 9, by invitation only.

By motion of Jim Wunderlich and seconded by Gene Bushmann, the meeting adjourned at 3:20 p.m.

Those in favor: Bushmann, Carr, Bushmann, Carr, Peerson, Schreiber, Sheehan, Wunderlich

Opposed: None

Absent: Callis, Mahfood, Meyer, Riddick

These minutes were approved August 24, 2005